

## Message Text

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ACTION EUR-12

INFO OCT-01 AF-06 ARA-06 EA-07 NEA-10 ISO-00 FEA-01

ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00

EB-07 FPC-01 H-02 INR-07 INT-05 L-03 NSAE-00 NSC-05

OMB-01 PM-04 SAM-01 OES-03 SP-02 SS-15 STR-04 TRSE-00

NSCE-00 SSO-00 USIE-00 INRE-00 PA-01 PRS-01 IO-10

/127 W

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O R 150135Z OCT 75

FM AMEMBASSY PARIS

TO SECSTATE WASH DC IMMEDIATE 4180

INFO AMEMBASSY BERN

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY MADRID

AMEMBASSY COPENHAGEN

AMEMBASSY OSLO

AMEMBASSY LONDON

AMEMBASSY DUBLIN

AMEMBASSY WELLINGTON

USMISSION USUN

AMEMBASSY TOKYO

AMEMBASSY OTTAWA

AMEMBASSY CARACAS

AMEMBASSY BRASILIA

AMEMBASSY VIENNA

AMEMBASSY LUXEMBOURG

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

AMEMBASSY BONN

AMEMBASSY ROME

AMEMBASSY ANKARA

AMEMBASSY TEHRAN

AMEMBASSY JIDDA

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AMEMBASSY NEW DELHI

AMEMBASSY KINSHASA  
AMEMBASSY LIBREVILLE  
AMEMBASSY LAGOS  
AMEMBASSY TRIPOLI  
AMEMBASSY KUWAIT  
AMEMBASSY ABU DHABI  
AMEMBASSY DOHA  
AMEMBASSY QUITO  
AMEMBASSY JAKARTA  
AMEMBASSY BAGHDAD  
USMISSION OECD PARIS UNN  
AMEMBASSY ALGIERS UNN

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KUWAIT PASS BAGHDAD

E.O. 11652: GDS  
TAGS: EGEN, ENRG, PREPCON  
SUBJECT: PREPCON II - SECOND DAY

REF: PARIS 26530

1. SUMMARY: EARLY OPTIMISM OF FIRST DAY AND HALF BECAME RESTRAINED TUESDAY AFTERNOON WHEN PLENARY WAS REPEATEDLY POSTPONED BECAUSE DELEGATIONS COULD NOT REACH AGREEMENT ON GENERAL GUIDELINES FOR COMMISSIONS. THE SEVEN PROVIDED US ON INFORMAL BASIS SUGGESTED NEW LANGUAGE FOR GUIDELINES, BUT DID NOT MAKE CLEAR WHETHER THIS LANGUAGE WOULD REPLACE OR SUPPLEMENT RELEVANT PORTIONS OF FRENCH CONSENSUS PROPOSAL. WE REVISED SEVEN'S LANGUAGE TO ENSURE THAT IT REPRESENTED AN INTERPRETATION WITHIN FRENCH CONSENSUS AND THAT GUIDELINES FOR EACH COMMISSION WERE ACCEPTABLE TO US. THIS U.S. NON-PAPER WAS PASSED TO EC AND JAPAN. IN DOING SO, WE SAID THAT IF THEY APPROVED, WE WOULD GIVE IT TO SEVEN AND INDICATE THAT IF ADOPTED BY PREPCON, NO FURTHER NEGOTIATION ON GUIDELINES WOULD BE NECESSARY UNTIL COMMISSIONS MEET NEXT YEAR.  
ALTERNATIVELY, IF IT WERE NOT ACCEPTABLE, WE WOULD

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AGAIN INSIST ON REAFFIRMATION OF CONSENSUS PROPOSAL WITH ANY NECESSARY "CLARIFICATION" TO BE NEGOTIATED BILATERALLY BEFORE MINISTERIAL. LATE TUESDAY EVENING, ALGERIA--ON BEHALF OF SEVEN--GAVE SECRETARIAT A PAPER SIMILAR TO AN AGENDA THE SEVEN PROPOSED IN APRIL FOR POSSIBLE TABLING TOMORROW AS GUIDELINES FOR COMMISSIONS. WE ARE ADVISING FRENCH CHAIRMAN, VENEZUELA, AND OTHERS THAT THIS PROPOSAL IS UNHELPFUL

AND IF TABLED COULD PREJUDICE THE AGREEMENTS REACHED  
THUS FAR. END SUMMARY.

2. DURING MORNING SESSIONS'S DISCUSSION OF AGENDA  
ITEM 7, PREPCON AGREED THAT THE NAMES OF THE  
COMMISSIONS WOULD BE COMMISSIONS ON ENERGY, RAW  
MATERIALS, DEVELOPMENT, AND FINANCIAL AFFAIRS AND  
THAT EACH COMMISSION WOULD HAVE 15 MEMBERS CHOSEN  
BY THEIR RESPECTIVE SIDES. IRAN NOTED THAT ALTHOUGH  
PREPARED TO AGREE TO TERM "COMMISSIONS", IT CONSIDERED  
THAT COMMISSIONS WOULD SUBMIT RECOMMENDATIONS TO  
CONFERENCE FOR APPROVAL. (COMMENT: THUS ESTABLISHING  
PRINCIPLE THAT COMMISSIONS WOULD BE SUBORDINATE TO  
CONFERENCE.) ZAIRE PROPOSED THAT THE 15 MEMBERS  
BE DIVIDED INTO TEN REPRESENTATIVES FROM THE  
DEVELOPING STATES AND FIVE FROM THE INDUSTRIALIZED  
STATES; IT ALSO PROPOSED THAT CONFERENCE PARTICIPANTS,  
WHICH WERE NOT MEMBERS OF SPECIFIC COMMISSIONS, COULD  
BE OBSERVERS IN THESE COMMISSIONS BUT WITHOUT THE  
RIGHT TO SPEAK. SUBSEQUENTLY, CHAIRMAN SUGGESTED  
THAT THESE NON-COMMISSION MEMBERS OF 27 COULD BE  
CALLED "AUDITORS" TO DISTINGUISH THEIR POSITION FROM  
THAT OF INTER-GOVERNMENT ORGANIZATION "OBSERVERS"  
PROVIDED FOR IN CONSENSUS. (AIT CHAALAT (ALGERIA)  
INDICATED TO US PRIVATELY THAT HE WAS PREPARED TO  
ACCEPT THIS CONCEPT.) THE EC RESERVED ON 10/5 SPLIT  
IN COMMISSIONS AND RIGHT OF SILENT OBSERVERS PENDING  
EC AFTERNOON CAUCUS. WHILE SILENT DURING THESE  
DISCUSSIONS, U.S. DELEGATION WAS PREPARED TO ACCEPT  
10/5 SPLIT AND TO REJECT PRESENCE IN COMMISSIONS OF  
NON-MEMBERS OF 27, AT LEAST INITIALLY, BUT IF NECESSARY  
TO MOVE BACK FROM POSITION ON SILENT OBSERVERS TO  
LEVERAGE THIS CONCESSION AGAINST AGREEMENT ON TERMS OF  
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KUWAIT PASS BAGHDAD

3. IN DISCUSSION OF AGENDA ITEM 7 (C) -- OBSERVERS IN COMMISSIONS FROM INTER-GOVERNMENTAL ORGANIZATIONS -- BRAZIL, SPEAKING FOR SEVEN, PROPOSED THAT CONFERENCE SHOULD DEVELOP A LIST OF ORGANIZATIONS WHICH WOULD BE INVITED TO PARTICIPATE AS "PERMANENT OBSERVERS" IN WORK OF COMMISSIONS AND HAVE RIGHT TO SPEAK IF NO COMMISSION MEMBER OBJECTED; EACH COMMISSION COULD ADD ADDITIONAL OBSERVERS ON BASIS OF CONSENSUS IF IT DESIRED. TO AVOID SUBJECTING IEA PARTICIPATION AND RIGHT TO SPEAK IN ENERGY COMMISSION TO CONSENSUS BY CONFERENCE OR BY ENERGY COMMISSION, THE U.S. INTERJECTED THAT PREPCON SHOULD INSTEAD DRAW UP APPROPRIATE NON-EXCLUSIVE LIST OF INTER-GOVERNMENTAL ORGANIZATIONS TO PARTICIPATE AS OBSERVERS WITH RIGHT TO SPEAK IN ONE OR MORE COMMISSIONS, FOR RECOMMENDATION TO THE CONFERENCE. THE U.S. GAVE SUCH A LIST, WHICH INCLUDED IEA, OECD, OPEC, IMF, IBRD, GATT, UNCTAD, AND FAO, TO THE FRENCH SECRETARIAT, AFTER FIRST OBTAINING AGREEMENT OF THE EC AND JAPAN.

4. PREPCON ACCEPTED FRENCH OFFER TO FURNISH SMALL ADMINISTRATIVE (NON-SUBSTANTIVE) SECRETARIAT FOR CONFERENCE, WITH THE MODIFICATION THAT, AS SOON AS DESIGNATED, THE TWO CO-CHAIRMEN OF THE CONFERENCE

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WOULD ESTABLISH LIAISON WITH FRENCH SECRETARIAT TO PREPARE FOR CONFERENCE.

5. AFTER PLENARY, WHICH WAS SCHEDULED TAKE UP CRITICAL ISSUE ON THE TERMS OF REFERENCE FOR THE COMMISSIONS, WAS POSTPONED REPEATEDLY AND FINALLY CALLED OFF AT 10:00 P.M. BILATERAL DIPLOMATIC SKIRMISHING CONSUMED AFTERNOON AND EVENING. THE U.S., EC, AND JAPAN MAINTAINED SOLID FRONT THAT PARAGRAPHS 4.3 THROUGH 4.6 OF THE FRENCH CONSENSUS PROPOSAL MUST BE BASIS OF GENERAL GUIDELINES FOR COMMISSIONS, THOUGH NOT PRECLUDING POSSIBILITY OF ACCEPTING INTERPRETATIVE COMMENTS IN FINAL PREPCON DOCUMENTS. IN LATE AFTERNOON, INDIAN HEAD OF DELEGATION (SANYAL)--ALLEGEDLY SPEAKING FOR SEVEN--GAVE US NEW DRAFT GUIDELINES FOR

COMMISSIONS ON ENERGY, RAW MATERIALS, AND DEVELOPMENT  
AND SAUDI DELEGATE (TAHER) DID SAME THING FOR  
FINANCIAL COMMISSION. THE NEW LANGUAGE WEAKENED  
SOMEWHAT DESCRIPTION OF WORK OF ENERGY COMMISSION AND  
STRENGTHENED THAT OF OTHER THREE. WE RECEIVED  
CONTRADICTORY REPORTS AS TO WHETHER SEVEN INTENDED  
NEW LANGUAGE TO BE INTERPRETATION OF CONSENSUS  
PARAGRAPHS OR TO REPLACE CONSENSUS. (SEPTEL  
CONTAINS PROPOSED SEVEN LANGUAGE ON FOUR COMMISSIONS.)

6. U.S. DEL REWORKED SEVEN PAPERS (SEPTEL) BY ADDING  
OPENING PARA MAKING CLEAR THAT THE REVISED DESCRIPTION  
OF COMMISSIONS INTERPRETED BUT DID NOT REPLACE THE  
CONSENSUS, THUS INCORPORATING CONSENSUS BY REFERENCE.  
THE DESCRIPTION OF THE COMMISSIONS WAS ALTERED BY:

- (1) REINSERTING REFERENCE TO OIL PRODUCER AND  
CONSUMER COUNTRIES IN COMMISSION;
- (2) ADDING "DEVELOPED" COUNTRIES TO LAST LINE ON  
SECTION ON RAW MATERIALS COMMISSION; AND
- (3) ADDING QUALIFYING CLAUSE IN THE DESCRIPTION OF  
FINANCIAL COMMISSION TO ENSURE THAT JURIS-  
DICTION OF IBRD AND IMF ARE RESPECTED.

THE PENULTIMATE PARA CONCEDED SEVEN INSISTENCE ON  
LINKAGE OF COMMISSIONS' WORK, WHILE LAST PARAGRAPH  
IS DESIGNED TO ENSURE THAT OTHER TOPICS EITHER SIDE  
WISHED TO DISCUSS WOULD BE RAISED IN THE COMMISSIONS,  
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THUS PREVENTING DISCUSSION THIS ISSUE AT  
CONFERENCE ITSELF.

7. U.S. INFORMAL PAPER GIVEN TO EC, JAPAN, AND  
FRENCH TECHNICAL CHAIRMAN. WE UNDERSTAND LATTER HAS  
INFORMED SEVEN OF EXISTENCE OF OUR DOCUMENT. WE  
ADVISED THAT THIS PAPER REPRESENTED AS FAR AS WE  
COULD GO ON GUIDELINES AND THAT, IF IT WERE ACCEPTED,  
THERE WOULD BE NO FURTHER NEGOTIATIONS ON THIS MATTER  
AFTER PREPCON. IF THIS CONDITION IS NOT ACCEPTABLE  
TO ALL OTHER DELEGATIONS, WE WOULD INSIST ON GOING  
BACK TO THE ORIGINAL LANGUAGE OF THE FRENCH CONSENSUS.

8. EC PLANS TO CAUCUS ON U.S. PAPER AT 11:00 P.M.

9. SHORTLY AFTER 10:00 P.M., ALGERIA GAVE TO THE  
SECRETARIAT FOR POSSIBLE TABLING AS BASIS FOR NEW  
GUIDELINES FOR COMMISSIONS DOCUMENT SIMILAR TO FINAL  
DRAFT AGENDA OF APRIL PREPCON (WHICH INDUSTRIAL  
COUNTRIES THEN FOUND UNACCEPTABLE), LISTING TOPICS  
FOR DISCUSSION ALONG WITH INTERPRETATIVE COMMENTS.  
WE ARE MAKING CLEAR TO THE FRENCH, THE VENEZUELAN,

AND OTHERS THAT TABLING OF THIS DOCUMENT WOULD RESULT  
IN WITHDRAWAL OF THE U.S. COMPROMISE PROPOSAL, AND  
COULD PREJUDICE THE AGREEMENTS REACHED SO FAR.  
RUSH

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
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**Current Classification:** UNCLASSIFIED  
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**Copy:** SINGLE  
**Draft Date:** 15 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** SmithRJ  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Source:** CORE  
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**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750356-0878  
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**Handling Restrictions:** n/a  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 75 PARIS 26530  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** SmithRJ  
**Review Comment:** n/a  
**Review Content Flags:**  
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Margaret P. Grafeld  
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**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PREPCON II - SECOND DAY  
**TAGS:** EGEN, ENRG  
**To:** STATE  
**Type:** TE  
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